

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

**Department/Agency:** Registrar of Indigenous Corporations

**Outcome/Program:** Registrar of Indigenous Corporations

**Topic:** Adnyamathanha Traditional Lands Association (ALTA) investigation

**Senator:** Senator Nick Xenophon

**Question reference number:** 129

**Type of Question:** FPA, Friday 30 May 2014, page 16

**Date set by the committee for the return of answer:** 11 July 2014

**Number of pages:** 3

**Question:**

Senator XENOPHON: How was that investigation conducted?

Mr Beven: The process of the investigation?

Senator XENOPHON: Yes.

Mr Beven: In that particular case, my office conducted an assessment of the complaints and the matters that were raised. We determined that the best way to approach that was to appoint an independent examiner. That is a person who has the powers of my office to go in and review all of the books and records of the corporation, and look at its governance standards and its financial position, but also to look at complaints that may be in existence in relation to the corporation. So an independent examination occurred. That examination revealed some procedural and process issues at the corporation where it was not meeting the requirements of its constitution. In that particular case a compliance notice was issued by my office.

Senator XENOPHON: When was that?

Mr Beven: I will take that on notice, but it was last year.

Senator XENOPHON: When I met about 16 elders and members of this association in Port Augusta in April this year, they said that they had not received any response from ORIC that dealt with their concerns. Did you interview any of the complainants in respect of this process?

Mr Beven: I will take that on notice.

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#### **Answer:**

ATLA was incorporated on 12 February 2001 and is registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

According to records maintained by the Registrar, ATLA currently has 718 members (from 29 core groups) and 24 directors.

Between 9 June 2011 and 3 December 2012 (the date of the commencement of the examination) nine complaints were received by the Registrar about ATLA from four members (one member made five complaints) and one anonymous person.

On 25 October 2012 the Registrar authorised an examination of the books of the corporation under section 453-1 of the CATSI Act. The independent firm of Andrew West & Associates (the examiners) was appointed by the Registrar to conduct the examination. The examination covered the corporation's activities during the period from 1 July 2010 to the date of the examination.

The examiners were asked to review the substance of the nine complaints made to the Registrar.

The examiners conducted the examination from 3 - 19 December 2012.

The examiners formed the view that the standard of corporate governance and financial management at ATLA was sound and that the directors were carrying out their functions with the required degree of care and diligence.

The examiners concluded the complaints made to the Registrar could not be substantiated.

The examiners did not disclose the names of the parties contacted or interviewed during the examination.

Based on the findings of the examiners, the Registrar issued a management letter to ATLA on 16 January 2013. This document is publicly available on the Registrar's website [www.oric.gov.au](http://www.oric.gov.au).

A management letter is a report from the Registrar to the directors of a corporation that makes recommendations for correcting weaknesses or minor issues identified during an examination. The weaknesses and issues are important enough to be brought to the attention of the directors but not so serious as to require a formal compliance notice to be issued by the Registrar under section 439-20 of the CATSI Act.

ATLA provided a response to the Registrar's management letter on 19 March 2013. The response is publicly available on the Registrar's website.

Based on the Registrar's assessment of the nine complaints and the findings of the independent examiner regarding the complaints, the Registrar determined that no further action was required in relation to the complaints.

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All of the complainants, other than the anonymous complainant who did not provide a return address or telephone number, received a response from the Registrar to their complaint. The complainants were advised in writing or telephone by staff of the Registrar's office that no breaches of the CATSI Act had been identified and no further action would be taken in relation to their complaint.

All of the complaints were assessed and finalised, including responding to the complainants, within 90 days, most (six out of the nine complaints) within seven days.